



'All Kinds of Support and Assistance'

## Russia Offers Lebanon Defense Aid

By Juan de Onis

BEIRUT, July 11 (UPI).—The Soviet Union has offered Lebanon "all kinds of support and assistance" to strengthen this country's defense against Israeli attacks, diplomatic sources said today.

The Soviet pledge was contained in a message from Leonid Brezhnev, the Soviet Communist party leader, that was delivered to President Suleiman Franjeh by the Soviet ambassador to Lebanon.

Lebanese government sources said the message had special importance because of the series of Israeli attacks carried out against

Palestinian guerrilla camps and Lebanese villages near the Israeli border in retaliation for terrorist attacks on Israeli civilians.

Mr. Brezhnev's message was in reply to a letter that Mr. Franjeh sent to both the Soviet leader and President Nixon after an attack in May by Israeli planes against camps and villages.

According to this version, Mr. Brezhnev said that the Soviet Union "is prepared to provide all kinds of support and assistance to Lebanon and the other Arab states to strengthen their defense ability in facing Israeli aggression and to liberate occupied Arab lands."

Soviet offers of military equipment to Lebanon have been reported before, but they have never been taken up by the Lebanese armed forces. Informants said that there was no likelihood that this policy will be changed.

But Lebanese officials welcome Soviet warnings to Israel as a way of exerting diplomatic pressure against any Israeli intention of occupying southern Lebanon, a permanent concern in this small, militarily weak nation where Palestinian guerrillas are nearly as strong as the Lebanese Army.

Mr. Peres Urges Readiness

TEL AVIV, July 11 (Reuters).—Defense Minister Shimon Peres warned today that Israel must retain its military guard because the Arabs regard present political development as a possible basis for further attacks.

Mr. Peres, speaking at a graduation parade of pilots, said that, nonetheless, Israel must be ready to continue political negotiations while building up its defense forces.

Among other things, Israel must enlarge its air force, he said. "The forces Israel is faced with have not been diminished as a result of the separation of forces agreements."

**Soviet Shift Seen On Talks by Reds**

BELGRADE, July 11 (Reuters).—The Soviet Union has put off plans for a world Communist party conference and is campaigning for a preliminary meeting of European parties instead, East European sources said yesterday.

They said Polish and Italian Communist officials are sounding out other European Communist parties on their readiness to hold consultations next autumn.

However, their long-desired world conference would not take place until some time next year, because Moscow first wants to bring the European security conference to a successful conclusion with a summit-level meeting.

**New A-Sub for Britain**

BARROW-IN-FURNESS, England, July 11 (Reuters).—Britain's latest nuclear submarine, Sovereign, the eighth of its kind to join the Royal Navy and the 12th nuclear-powered vessel built for Britain, was commissioned here today.

## Iran Interested In 1 of 2 U.S. Light Fighters

WASHINGTON, July 11.—Iran has expressed an interest in purchasing 250 of the F-17 lightweight fighter planes being developed by the Northrop Corp. for the Air Force, Defense Department sources said today.

The Iranian overtures have caused some consternation in Pentagon circles since the proposed purchase could complicate the current competition between two American manufacturers to develop a lightweight fighter for the Air Force.

In addition to the F-17 developed by Northrop, the General Dynamics Corp. has developed the F-16. The two planes are now in a competitive fly-off test at Edwards Air Force Base in California.

A Defense Department decision on which plane to produce is not expected until early next year. Some Pentagon officials have privately expressed concern that Iran, by placing a large order, could, in effect, decide the competition instead of the Air Force.

Iran was reported to have expressed a preference for the F-17 because with its two engines it could be expected to operate more satisfactorily in the flying conditions in Iran. The F-16 has one engine.

The fear in the 1960s was that alternative sources would replace oil, but this is no longer true," he said. "Now we see in the 1970s that oil is not such an indispensable commodity. Finding other energy sources is not something we are afraid of, but something that we welcome."

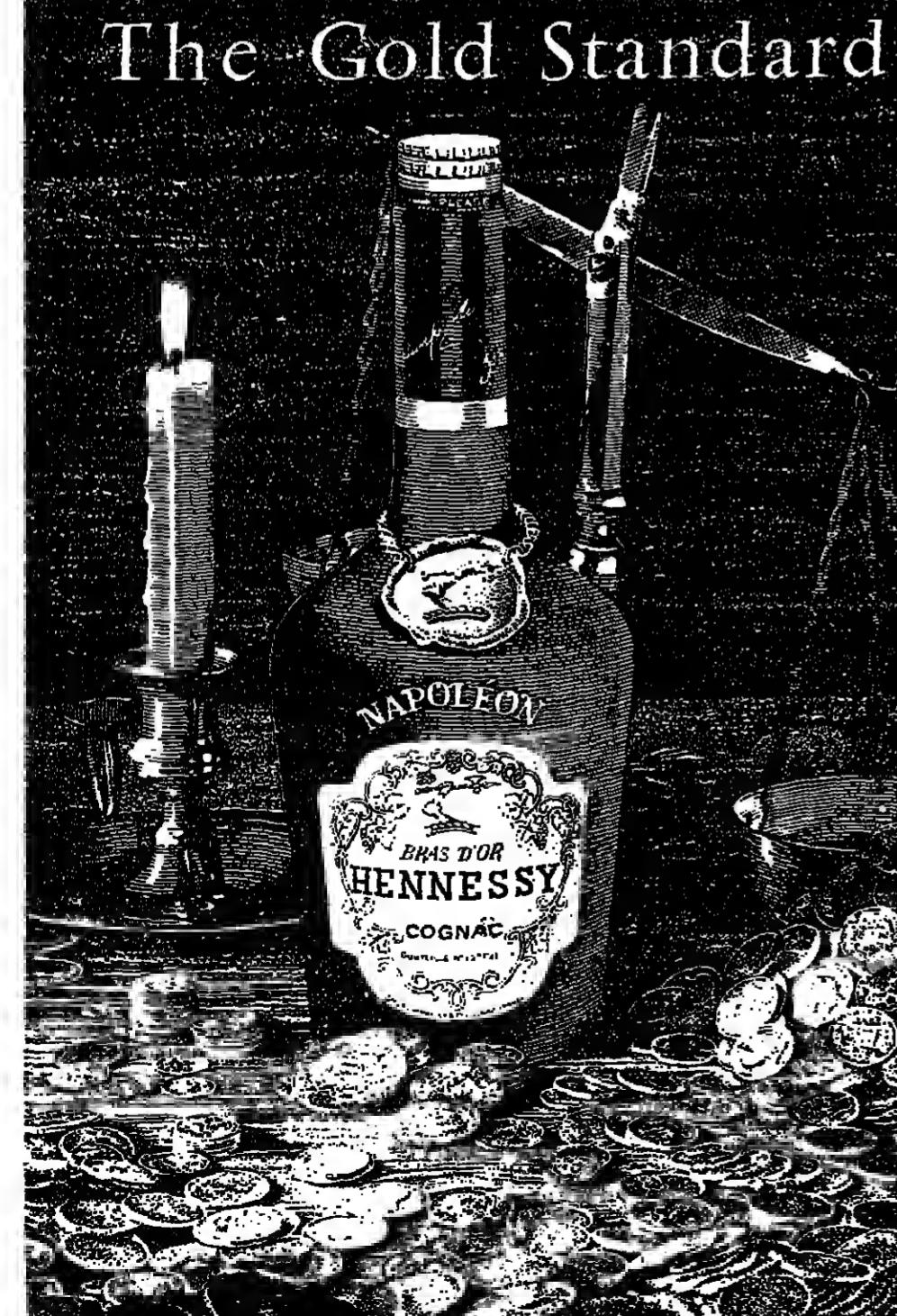
Sheikh Yamani said the next OAPEC meeting was scheduled for Nov. 30 in Bahrain.

The council also postponed discussion to "a later date" on setting up a petroleum services company for exploration and development of oil fields in the Arab states and reviewed a committee report on the implementation of a drydock project and company for construction and repair of ships in Bahrain.

Mr. Atika said the Arab states no longer feared that one day no oil would not be the primary source of energy and for this reason OAPEC encouraged the research and development of alternative power sources.

"The fear in the 1960s was that alternative sources would replace oil, but this is no longer true," he said. "Now we see in the 1970s that oil is not such an indispensable commodity. Finding other energy sources is not something we are afraid of, but something that we welcome."

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ASSOCIATED PRESS  
FOURTH GENERATION—When 20-year-old Derek King preached Sunday night at the Ebenezer Baptist Church in Atlanta he became the fourth generation of the King family to do so. He is the son of the late A. D. King and the nephew of the late Dr. Martin Luther King Jr. He was introduced by his grandfather, the Rev. Martin Luther King (right). His grandmother was killed in the church June 30.

## Bonn Report Says Ostpolitik Fails to Stem Spying by East

### Recesses Set At East, West Europe Talks

BONN, July 11 (UPI).—There has been no let-up in Communist political, military and economic espionage against West Germany despite the Bonn government's Ostpolitik of reconciliation with this country's Eastern neighbors, according to an official report.

The federal Office for the Protection of the Constitution, West Germany's counter-espionage agency, said in a report on its activities in 1973 that the intelligence services of East European states continued to operate with undiminished intensity.

In previous years, East Germany was by far the most active, it said.

In 1973, the Bonn government approached its controversial good-neighbor treaty with East Germany and signed similar accords, subsequently ratified, with Czechoslovakia, Bulgaria and Hungary.

The bomb was thrown into the doorway of the Catholic-owned Hercules Bar in Castle Street by a youth who was seen leaving the scene on a motorcycle, an army spokesman said.

The bomb caused extensive damage to the bar, which was crowded with Catholic workers.

Several of the injured were shoppers and persons waiting for buses outside the bar.

The entire Belfast ambulance service was put on full alert. An hour after the explosion, ambulances were still carrying the injured to three hospitals.

Two-Hour Span

It was one of three blasts in Belfast during a two-hour span.

A large bomb in a car outside the Europa Hotel was the first to explode.

A police spokesman said a warning had been received at a local telephone exchange and the area was cleared before the bomb exploded. The blast caused extensive damage to the hotel and nearby offices and stores.

The hotel had already suffered about \$1 million in damages during the last three years of sectarian violence.

An hour later, a bomb was left in a car outside an army post about two miles north of the city center. Again, a warning had been received, police said. The area was cleared and there were no casualties.

Earlier today, extremists exploded a bomb in a keg cut-side a pub on Lisburn Road, injuring four persons, the army said. About 75 pounds of explosives were in the keg, a spokesman said.

In another part of the city, two 15-year-old girls accused of being informers by the Irish Republican Army were rescued by soldiers from a jeering crowd last night after IRA activists shaved their heads and left them tied to a street railing.

IRA sources said the two girls admitted under interrogation that they betrayed 18 IRA men and women to the army for money.

The proposals outlined in the government's White Paper on oil policy included the following:

- New legislation to impose taxes on oil company profits and "to close various loopholes."
- Companies given licenses in the future must agree to pay government request for "major participation in all fields" under those licenses."

- Companies now operating in the North Sea will be invited to talk about sharing their interests with the government, which would contribute "its share of the costs, including past costs."

- Creation of the British National Oil Corp. to build a "powerful and expert supervisory staff" to direct government investment.

- An extension of powers to control production and pipelines to enable London to decide later on reducing the rate of the depletion and to insure that development proceeds "with a proper care for the environment."

- Establishment of a Scottish Development Agency to promote the economy of the region with the help of the revenue from offshore oil.

Mr. Simon will arrive in Cairo Saturday and then go to Tel Aviv Tuesday to carry on business begun during President Nixon's recent tour of the Middle East. He will continue to Jiddah, Saudi Arabia, and three days later to Kuwait. Assistants will remain in both capitals to work out economic and technical agreements promised by Mr. Nixon.

### Simon Sets Off For Middle East

WASHINGTON, July 11 (UPI).—Treasury Secretary William Simon set off today on a seven-nation tour of the Middle East and Europe. He denied that he had already completed a deal to lower world oil prices.

In a news conference and later in a briefing for congressmen, Mr. Simon said, "The purpose of my visit is not to negotiate a lower price for oil." But, he said, "I hope to see in the near future a lower price for oil. I think that's in everyone's best interest, producer and consumer alike."

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Military Action

The war, meanwhile, continued as usual.

A group of South Vietnamese commandos raided Viet Cong held positions near Highway 1, 50 miles east of Saigon, late yesterday afternoon. Staff resistance was reported, government military sources said today.

Initial reports said three commandos were killed, 11 wounded and eight missing. The sources said there was no report on Viet

## Fugitives Face Deadline

### 5 More Ethiopian Notables Are Arrested, 6 Still Hunted

ADDIS ABABA, July 11 (UPI).—The army tonight arrested five prominent Ethiopians in its drive to eliminate alleged corruption in the government and possible opposition to its dominant position in the country.

Two more officials, both on the military's list of 27 most-wanted men, also agreed to give themselves up soon and avoid the risk of being declared outlaws.

Nineteen of those on the list are already in custody.

The five arrested today, who were not on the most-wanted list, were Haile Selassie, deputy mayor of Addis Ababa; Gen. Segu Medhin, minister general; Gen. Girma Alemanyeh, director of the police; Brig. Gen. Ghirma Yohannes, chief of the criminal investigation department, and Ayawey Asaye of the Ministry of Defense.

One in Britain

Ato Getachew Mahamed-Selassie, general manager of the National Resource Development Co., sent the army a message from Britain that he would return to the country as soon as he finds a course of medical treatment.

Gen. Tafesse Aboye, former logistics officer of Ethiopia's ground forces, also said he would surrender.

That left only six of the men on the army's most-wanted list still on the run.

The most prominent among them is Ras Meles Silassie, a close adviser to Emperor Haile Selassie and a popular guerrilla hero during the Italian invasion.

He is one of the richest men in the country. He reportedly has a private army of about 50,000 men which is willing to come to his aid.

The army gave the six fugitives until tomorrow to surrender, warning that after that they

would be "declared 'outlaws' and their extensive properties would be confiscated and anyone helping them would be 'severely punished,'" the army said.

Western diplomats said the army viewed the wanted men as the last possible opposition to its dominant position in the empire.

## Cable-TV Ban Is Lifted by Italian Court

ROMA, July 11 (UPI).—Italy's Constitutional Court yesterday lifted a government ban on cable television and on booster installations relaying foreign television programs to viewers in this country.

The ruling by the 15-member court, the nation's highest tribunal, has considerable political importance because it affects the monopoly of the state radio and television network, one of Italy's major power centers.

The government last year ordered a number of fledgling cable television systems in various parts of the country to end their activities on the grounds that they were infringing on the exclusive right of the state network to broadcast television programs.

Last month Post and Telecommunications Minister Giuseppe Togni ordered the dismantling of all so-called repeater stations—about 2,000 hilton towers—which had been relaying foreign television signals into Italy.

Again, the monopoly of the state network was invoked to justify keeping out programs from abroad. The measure angered more than three million Italians who had been receiving French, Swiss, Austrian and Yugoslav television signals. In many communities, private viewers had voluntarily contributed to the cost of relay installations.

Monopoly Questioned

Yesterday's decision by the Constitutional Court not only made it legal to operate cable television networks and installations relaying foreign signals but also questioned the state's monopoly position.

The court insisted that, under the constitution's provision of freedom of speech, radio listeners and television viewers were entitled to receive the broadest possible spectrum of information and opinion.

"The policy of the Atomic Energy Board is dictated by the government," he said. "May I say that our nuclear program is more advanced than that of India?"

India exploded its first nuclear device in May.

## S. Africa Claims A-Bomb Capacity

GRAHAMSTOWN, South Africa, July 11 (AP).—The vice-president of South Africa's Atomic Energy Board said yesterday that this country can produce an atomic bomb if necessary.

"Our technology and science have advanced sufficiently for us to produce it if we have to," Louis Alberts said.

He stressed that the government's policy was to use its full knowledge for peaceful purposes only.

"The policy of the Atomic Energy Board is dictated by the government," he said. "May I say that our nuclear program is more advanced than that of India?"

India exploded its first nuclear device in May.

## Seoul Court Orders Death Of 7 Guilty in Anti-Park Plot

SEOUL, July 11 (AP).—A military court today found 21 persons guilty of plotting student uprisings to overthrow President Chung Hee Park and sentenced seven of them to death.

The sentences against To Ye Jong, head of the now-defunct People's Revolutionary party, and six of his followers were the first death sentences since Mr. Park cracked down in January on intellectuals, politicians and student leaders threatening his authoritarian rule.

This meant that Nato shall wanted force reductions in Central Europe to begin with American and Soviet ground forces, with other forces to follow later, while the Warsaw Pact wanted reductions of all forces in the area at the same time.

Those sentenced were among

225 arrested.

The defendants were charged with violating a decree by Mr. Park on April 3 outlawing anti-government activity and with breaking neither security and anti-revolution laws.

A total of 225 persons have been arrested on suspicion of violating the April 3 decree, which has a maximum penalty of death. Military courts now have convicted a total of 21 persons for anti-government agitation since Jan. 5, when Mr. Park issued the decree in a series of decrees provided by demonstrators against his rule.

A Roman Catholic bishop

known for his outspoken criticism of the government was released last night after five days of questioning by intelligence agents, a church spokesman said.

The Most Rev. Daniel Chul-bishop of the Wonju diocese east of Seoul, was arrested Saturday on his return from a European trip. He was suspected of working with the National Democratic Youth Student Federation, according to the Rev. Lee Cho-hung, secretary-general of the Catholic Conference of Korea.

Millants in Corsica Continue Bombings

BASTIA, Corsica, July 11 (UPI).—A plastic bomb damaged a furniture store here yesterday in the latest of a series of attacks against official buildings and enterprises owned by non-Corseans.

Today's blast was the eighth since Monday night. The others in various parts of the island were aimed at a government employment office, banks, a tennis club, a tax office and a boat yard.

There were no victims but a great deal of damage.

Japan Protest to U.S.

TOKYO, July

Turn Up Something

## Hrlichman Pressured IRS o Probe O'Brien's Taxes

By Lawrence Meyer

WASHINGTON, July 11 (UPI)—Top presidential adviser John Hrlichman has told the Senate Watergate Committee that in 1973 he pressured the Internal Revenue Service to investigate them because "I wanted them to turn up something and send us to jail before the election," the same time that the IRS

was being pressured to investigate Mr. O'Brien, the agency was delaying interviews on tax matters with the President's brother, Donald Nixon, because of a policy decision that no "politically sensitive interviews" should be conducted before the 1972 election, according to a staff report of the Watergate committee released yesterday.

The report is the product of a lengthy, but incomplete, investigation by the Senate committee's staff into \$100,000 given by billionaire Howard Hughes to Charles (Bebe) Rebozo, purportedly as a Nixon campaign contribution.

Although the Senate Watergate committee no longer has investigative powers, the staff report—which was adopted by the full committee yesterday—recommends that other appropriate congressional committees continue the inquiry into the Hughes-Rebozo matter. In addition, a spokesman for the special Watergate prosecutor said yesterday that he is still conducting an investigation in the matter.

The staff report says that Mr. O'Brien was investigated even after the IRS had concluded that nothing in his tax returns was questionable.

Mr. Hrlichman, acting through then-Treasury Secretary George Smits, prodded then-IRS Commissioner Jerome Walters into reopening an examination of Mr. O'Brien's tax returns, according to Mr. Walters.

"Ehrlichman testified that there were good political reasons to go after O'Brien, since O'Brien was the head of the Democratic party," the report states. "After Ehrlichman saw O'Brien's name in the public relations mail in the sensitive case report [on the Hughes Tax Col.], he said he brought this information to President Nixon's attention. The President was quite interested in the audit of O'Brien and was especially interested in the fact that O'Brien was on retainer to the Hughes organization, according to Ehrlichman." Ehrlichman, however, did not recall if the President made any specific request for Ehrlichman to follow up on this matter."

Rep. Hamilton Fish Jr., R-N.Y., said in answer to reporters' during a minute break, said that Mr. Clair's questioning did not get to his testimony.

Dean is distinguishing between money and "paying it," Rep. Fish said.

He said, Dean testified that when he told the Senate Watergate committee last year that question of making the payment was "left hanging" and not solved at the March 21 meeting with Mr. Nixon, he referred to the raising of the payment.

Other Judiciary Committee members said that Dean earlier testified that he had "a feeling" that he had told Mr. Nixon the payments to Hunt and other Watergate defendants before the March 21 meeting when Mr. Nixon had said he turned of them for the first

members emerging from the sed-down session during vote. He also described the cross-examination exchange between Mr. Clair and Dean as aggressive. Some said that there was tension on the part of Mr. St. Clair, they said Dean's replies were as tough.

Mr. Clair is really eating him," Rep. Joseph Maranetti, R-N.J., said.

St. Clair is not doing so hot," Dean, Rep. Robert McCall, R-N.Y., said. "In face of full cross-examination, Dean standing up very well."

He was quite convincing, a able witness," Rep. Jerome D. Cullie, said. "It was really refreshing in comparison to previous witnesses we heard."

Rep. Lawrence Hogan, R-Md., that he felt Dean was not able witness.

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# INTERNATIONAL Herald Tribune

Published with The New York Times and The Washington Post

Page 4—Friday, July 12, 1974 \*

## Who Embodies the Law?

There is drama in the coincidence of Earl Warren's death at a moment when the Supreme Court of the United States is being called upon to play a role that is unique in its experience. For it was Warren, a man of human warmth, impelled by a sense of social justice, who did more than any Chief Justice since John Marshall to prepare the highest bench for its present function and, what is even more important, to prepare the country to accept its verdict.

There are differences, of course, between what the Warren court did and what the Burger court has been asked to do. Under Warren, the court did not go back to the origins of the Constitution, although it, of course, accepted the power which Marshall has asserted for it in the early days of that fundamental document. Chiefly, the Warren court gave life to the Fourteenth Amendment, which forbids both states and the federal government to "abridge the privileges and immunities of citizens of the United States"—and the Fourteenth, like the Thirteenth, which abolished slavery, and the Fifteenth, which forbade banning the vote to any citizen "on account of race, color, or previous condition of servitude," were essentially articles in a treaty of peace, ending the Civil War. Those three amendments profoundly altered the nature of the federation of states comprising the union—so profoundly that it took three-quarters of a century to give them effective jurisdiction in such matters as education, criminal processes and voting rights.

Even then, there were profound disagreements over the practical processes and voting rights.

Even then, there were profound disagreements over the practical validity of the Warren court opinions. "Mr. Dooley" once remarked—when the question of whether the

Constitution was applicable in territories newly acquired from Spain was in dispute—that "whether th' Constitution follows th' flag or not, th' Supreme Court follows th' election returns." This is a cynical fashion of stating the truth that if the Supreme Court diverges too far from public opinion, its opinions may become dead letters. The court may, as the Warren court did, lead opinion—it cannot coerce it.

But having led opinion successfully into so many areas, the Warren court established the prestige of that body to a degree that it had never enjoyed in many years of "judicial restraint." And now, as the Burger court wrestles with the basic problem of the separation of powers in the United States in as highly charged a form as the nation has ever known, that prestige may be decisive.

The question before the court today, with respect to Mr. Nixon's status with respect to the judicial and legislative branches, is one of law. But it also asks who, in the words of the Lord Chancellor in *Jeanne*, embodies the law, and to what extent. Does the country's chief magistrate have any legal authority to decide what evidence to give or withhold, when called upon by the courts? Are his actions in that respect solely subject to review by Congress, under the impeachment power?

These issues are more complex than many will admit, especially since the sordid nature of Watergate makes one of those hard cases that could produce bad law. They never would have arisen in a well-conducted administration; they may, if spelled out too clearly, present problems in the future. But that they are before the Supreme Court at all, that the court's verdict is awaited with so much confidence, is perhaps the most impressive tribute to the career of the late Earl Warren.

## The Co-Conspirator

The House Judiciary Committee's versions of the White House tapes add up to a devastating indictment of President Nixon. They make it unmistakably clear why the Watergate grand jury initially wanted to indict him along with his close associates for conspiracy to obstruct justice and finally insisted at least on naming him as a co-conspirator.

A single quotation omitted from the White House version would justify the grand jury's action even if there were no other evidence incriminating him—and there is, in fact, a good deal more evidence. In a conversation with former Attorney General John N. Mitchell on March 22, 1973, the President said: "I want you all to stonewall it, let them plead the Fifth Amendment, cover-up or anything else, if it'll save it—save the plan. That's the whole point."

And what was the plan? It was to contain the scandal within the walls of the White House and let the prosecutors, the Senate Watergate committee, and the public know as little as possible. The alternative was to tell the truth or, in the jargon of Mr. Nixon and his associates, to "go the hang-out road." But the President had already explicitly rejected that course in a conversation with John Dean, his counsel, on March 13, 1973.

"Uh, is it too late to, to, frankly, go the hang-out road?" Mr. Nixon asked. "Yes, it is," he continued, answering his own question.

Mr. Dean agreed in that conversation that it was too late to tell the truth although he was later to change his mind. Mr. Nixon then reiterated "the hang-out road's going to have to be rejected."

Candor was rejected because so much perjury had already been committed, so many false statements had already been made to investigators, and so many individuals were interconnected in so many different illegal acts that there was no way to tell the truth about any of it without pulling down the whole ramshackle structure.

The transcripts made by the committee are

superior to those prepared by the White House partly because the committee used higher quality equipment to bring out the sounds on the tapes. Why, it could be asked, did the White House in this instance use anything less than the best equipment available?

Superior equipment, however, would only reduce the number of times in which voices are inaudible or indistinguishable. But many of the differences in these two sets of transcripts are not of that character. On the contrary, they suggest that someone at the White House deliberately edited the transcripts to make them less damaging to Mr. Nixon and thereby intentionally mislead anyone reading them.

A striking example occurs in the conversation of March 22 in which the White House version has Mr. Nixon saying that flexibility was necessary "in order to get off the cover-up line." The committee transcript has the President saying flexibility was necessary "in order to get on with the cover-up plan."

It is really plausible that "get on" could be misread as "get off" or that "plan" sounds like "line."

Presidential remarks that were omitted in the White House version or that have been quoted more fully in the committee version suggest that Mr. Nixon knew that offers of clemency had been discussed between his aides and the Watergate burglars while their trial was underway and that large sums of money had been provided the burglars after their arrest.

The members of the House Judiciary Committee must act upon this presumptive evidence in making their recommendations to the House. These transcripts establish a prima facie case that Mr. Nixon should stand trial before the Senate.

The Constitution states that a president "shall take care that the laws be faithfully executed." Mr. Nixon has evidently violated that constitutional command, and shown himself willing to obstruct justice and subvert the law.

THE NEW YORK TIMES.

## International Opinion

### Crisis in Portugal

The new regime has undoubtedly had to deal with a situation anything but well-ordered since its accession in March. The problems are rooted in advance economic crisis and a complicated colonial situation that cannot be clarified at a stroke. It was to be expected that suggestions for action would come from all sides, particularly since popular expression of political ideas had been suppressed for so long.

Palma Carlos and the other ministers who

have resigned formed a moderate nucleus and balancing point around which extremes could hold a precarious equilibrium. This equilibrium has now been destroyed and there is grave danger of a proliferation of obstruction, demagogic and opportunism taking over where calm and firmness are required. Similarly the risk of desperate acts either by impatient "liberation" movements or by nervous colonists in Africa has grown greater. Decisive action by Spínola would seem to be essential.

—From the *Neue Zürcher Zeitung* (Zurich).

## In the International Edition

### Seventy-Five Years Ago

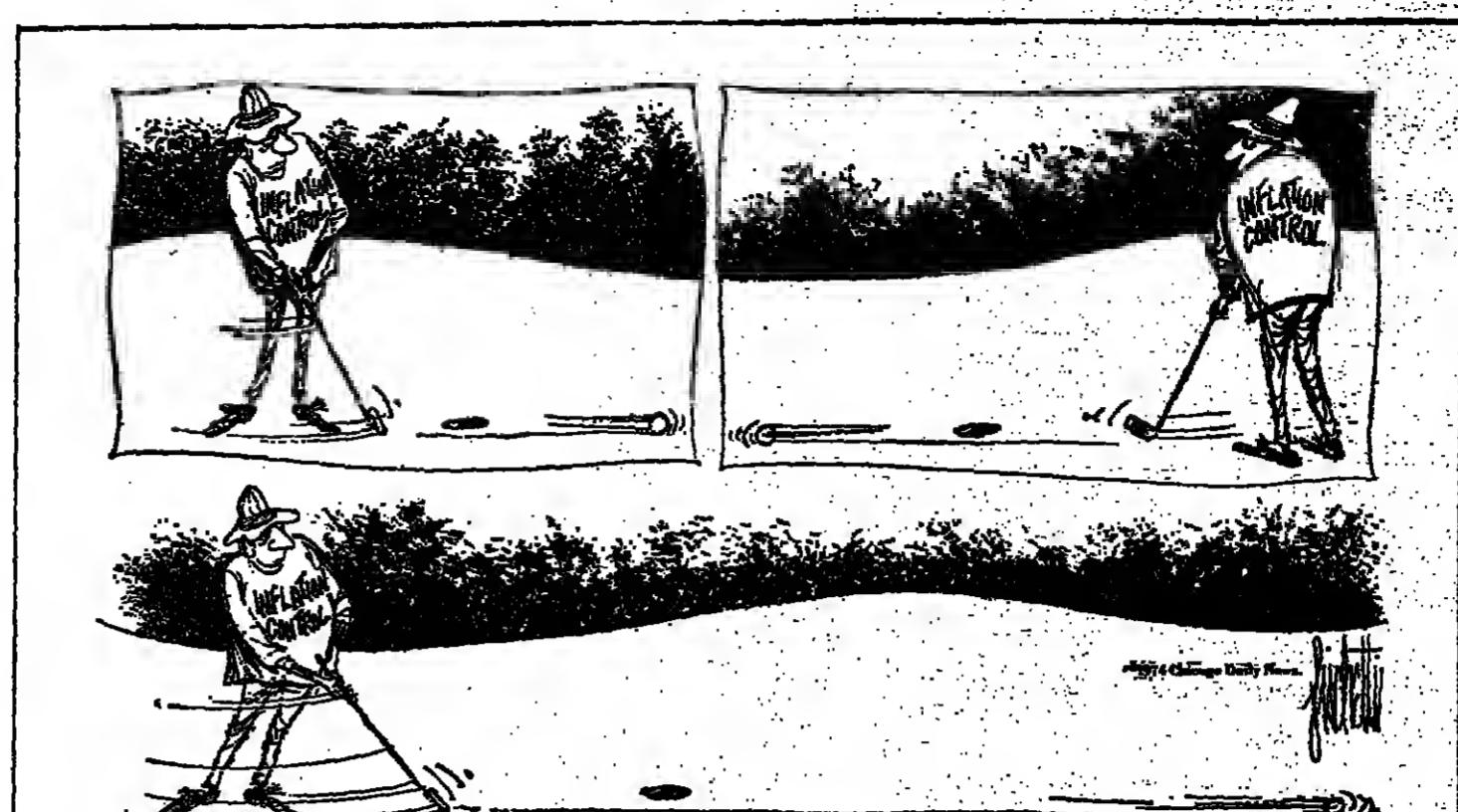
July 12, 1894

**PARIS.**—The automobile has grown so rapidly from a luxury to an acute necessity that it is quite an important matter to know where a machine can be hired. One has only to go into the street to hire a cab, but an automobile has to be arranged for beforehand, as at present there are not many enough to go round. The automobile rating agencies "livers stables" are in the happy position of not being able to supply the demand.

### Fifty Years Ago

July 12, 1924

**NEW YORK.**—Women delegates in the national conventions here have had greater prominence than in any previous political gatherings. A woman was the head of the New York contingent to Madison Square Garden, and women were appointed to the principal committees. It is a pleasure to congratulate women in general upon the increasing recognition of their usefulness and capability in public positions. The entire country will benefit



At This Rate, He'll Be Back at the Tee

## The Supreme Law of the Land in America

By Anthony Lewis

**WASHINGTON.**—Everyone will have his own memory, his own feelings about Earl Warren. What came to my mind at the news of his death was a scene in the Supreme Court on Aug. 26, 1958.

The court was sitting in special term to hear the Little Rock, Ark., school case. Counsel for the school board asked that desegregation orders be suspended because of local resistance. Gov. Orval Faubus had told the people of Arkansas that Supreme Court decisions were not the law of the land, he said, and they believed him.

"Mr. Chief Justice, you've been the governor of a great state . . ." counsel began saying. The chief justice broke in to say that as governor of California he "abided by the decision of the courts." Again counsel argued that weight should be given to the views of Faubus. Then Earl Warren said:

"I have never heard such an argument made in a court of justice before, and I have tried many a case through many a year. I never heard a lawyer say that the statement of a governor as to what was legal or illegal should control the action of any court."

The Supreme Court held unanimously that that judicial orders must be obeyed. An opinion signed by all nine justices said the case of *Mercury v. Madison* in 1953 had "declared the basic principle that the federal judiciary is supreme in the exposition of the law of the Constitution, and that principle has ever since been respected by this court and the country as a permanent and indispensable feature of our constitutional system."

### Astonishment

What came through in Earl Warren's homely words in 1958 was his simple astonishment that a public official should stand against the process of law and the courts. What brings the episode to mind now is of course that a later Supreme Court is struggling with an even greater challenge to the U.S. system of constitutional law—to the principle of *Mercury v. Madison*.

Speaking for President Nixon in the argument of the tapes case, James St. Clair asked the justices to undo assumptions that have prevailed in our system since 1803. That would be the effect of a series of audacious propositions that he candidly put to the court.

A presiding is not subject to the judicial process at all, St. Clair argued. He decides whether to obey court orders. In his own discretion he may withhold evidence subpoenaed for a criminal trial, even evidence of a conspiracy in which there is a strong showing that he participated. The only law that can reach

two suspects in the bizarre case to the Lebanese government, thereby underlining what one leading Beirut editor described this way: "This country is shrinking as Arafat and the Palestinians expand their power."

Yet, despite the "expanding power" of the PLO within little Lebanon, Arafat today faces his gravest crisis in the Palestinian struggle to create an independent state on the Israeli-occupied West Bank of the Jordan River.

The crisis: Arafat has yet

seen anything remotely resembling a green light from Washington, the real source of Israel's power, to back up his hope that

the Geneva MidEast conference—now scheduled for September—will become the opening wedge for Palestinian independence, with Arafat present as the "sole representative" of the Palestinians.

The United States has conspicuously failed to give its support to the concept of a Palestinian state side-by-side with Israel. Moreover, Israeli Prime Minister Yitzhak Rabin has now publicly ruled out the possibility of Israel ever agreeing to any kind of an

independent Palestine on the West Bank of the Jordan.

Thus, Arafat faces the threatening possibility that, if the Geneva conference is actually held, he may be asked to attend in a distinctly subsidiary role: possibly linked in some way to King Hussein of Jordan. Hussein, whose small kingdom held sovereignty over the West Bank for 20 years until Israel seized it in the six-day war of 1967, vows he will not go to Geneva until after Israel has made at least a token pull-back from the Jordan River and turned over some of the West Bank to him. Egypt has also vowed it will not go without the PLO.

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## Obituaries

**Per Lagerkvist, 83, Novelist, Received Nobel Prize in 1951**

STOCKHOLM, July 11 (AP).—Per Lagerkvist, 83, Swedish author and Nobel Prize-winner, died in a Stockholm hospital today.

His death resulted from a heart hemorrhage, for which he was hospitalized.

Mr. Lagerkvist, who was awarded the Nobel Prize in literature in 1951, was at the center of Swedish literary life for decades and left behind him a large number of books.

Translated into 36 languages, they included "The Hangman," "The Dwarf," "The Sibyl" and "Barabbas."

He had his first publication in 1913, at 23, with a contribution

to the literary debate of the time.

In a small booklet called "Literary and Figurative Art" he rejected realism in search of a literary form with the rigidity and simplicity of cubism.

In this theory lay the secret of Mr. Lagerkvist's stylistic art, cleansed with a lack of ornamentation.

With his first world-known novel, "The Hangman," in 1923, Mr. Lagerkvist expressed the theme of good versus evil which characterized all his writings. The growing Nazi movement in Europe constituted the background of the novel.

This theme was the same in his next important novel, "The Dwarf," in 1944—the way evil governs our lives in spite of good intentions.

"Barabbas," in 1950, was probably the most widely known of Mr. Lagerkvist's works and was named "A deity with the knowledge that all gods are dead, the revolt against absurdity and resignation to fate."

DR. JOHN W. CLINE

SAN FRANCISCO, July 11 (UPI).—Dr. John W. Cline, 76, former president of the American Medical Association and the American Cancer Society, died yesterday, two days after suffering a heart attack. He headed the AMA in 1951-52 and the Cancer Society in 1960-61.

CALVIN S. HATHAWAY

NEW YORK, July 11 (NYT).—Calvin S. Hathaway, 57, curator emeritus of the Philadelphia Museum of Art and former director of the Copper Union Museum for the Decorative Arts, died yesterday in Boston of a heart attack. He had gone to Boston on a holiday.

CARL F. KAUFELD

NEW YORK, July 11 (NYT).—Carl F. Kaufeld, 63, retired director of the Staten Island Zoological Society and widely known authority on snakes, died yesterday of emphysema at Richmond Hospital, Staten Island.

**Philippine Units Said to Repulse Moslem Rebels**

MANILA, July 11 (AP).—Philippines ground and air forces have driven back Moslem rebels threatening Cotabato, the largest city in central Mindanao, travelers arriving from the southern island reported.

Other sources said the fighting has spread to Christian communities to the east of Cotabato, and one mayor reported 4,000 refugees from four communities in his fertile rice-growing area.

Moslems on Mindanao and in the Sulu Archipelago to the southwest have been fighting for independence and to stem the incursions of Christian settlers for several years. After heavy fighting on the island of Jolo in February, the violence slackened.

But it stepped up again in Mindanao about the time the Islamic foreign ministers met June 25 in Kuala Lumpur, Malaysia.

Sources estimated that 100 civilians and troops have been killed since the end of June.

Manila newspapers made no mention of the fighting.

**10 Die as Burma Jets Crash in Mountains**

RANGOON, Burma, July 11 (AP).—Five Burma Air Force jets, flying in formation, crashed into mountains 100 miles north of Rangoon, killing all 10 flying officers aboard, the government announced Tuesday.

The announcement said that heavy rains and strong winds developed soon after the five T-33 planes, each with a two-man crew, took off Saturday for the 300-mile flight north to Meiktila.

But the police reported bombing attacks against a state labor minister in the interior, and a state senator in the northeast. They also said the headquarters of a right-wing Peronist union was shot up by machine-gun fire and an unexploded bomb was found in the capital. No injuries were reported.

**Political Violence In Argentina**

BUENOS AIRES, July 11 (UPI).—Independence Day celebrations Tuesday brought renewed political violence, suspended last week because of the death of Juan Peron.

The new President, Peron's 43-year-old widow, Isabel Peron, made her first public appearance since last Thursday's funeral. She was cheered loudly on leaving the Buenos Aires cathedral, where the attended Independence Day ceremonies.

But the police reported bombing attacks against a state labor minister in the interior, and a state senator in the northeast.

They also said the headquarters of a right-wing Peronist union was shot up by machine-gun fire and an unexploded bomb was found in the capital. No injuries were reported.

**3 Black Muslims Get Life Terms**

WASHINGTON, July 11 (AP).—Three Philadelphia Black Muslims Tuesday were each given consecutive life terms for the 1973 murders of seven members of the Hanafi sect of orthodox Islam. Another defendant, 23-year-old John Griffin, was granted a new trial.

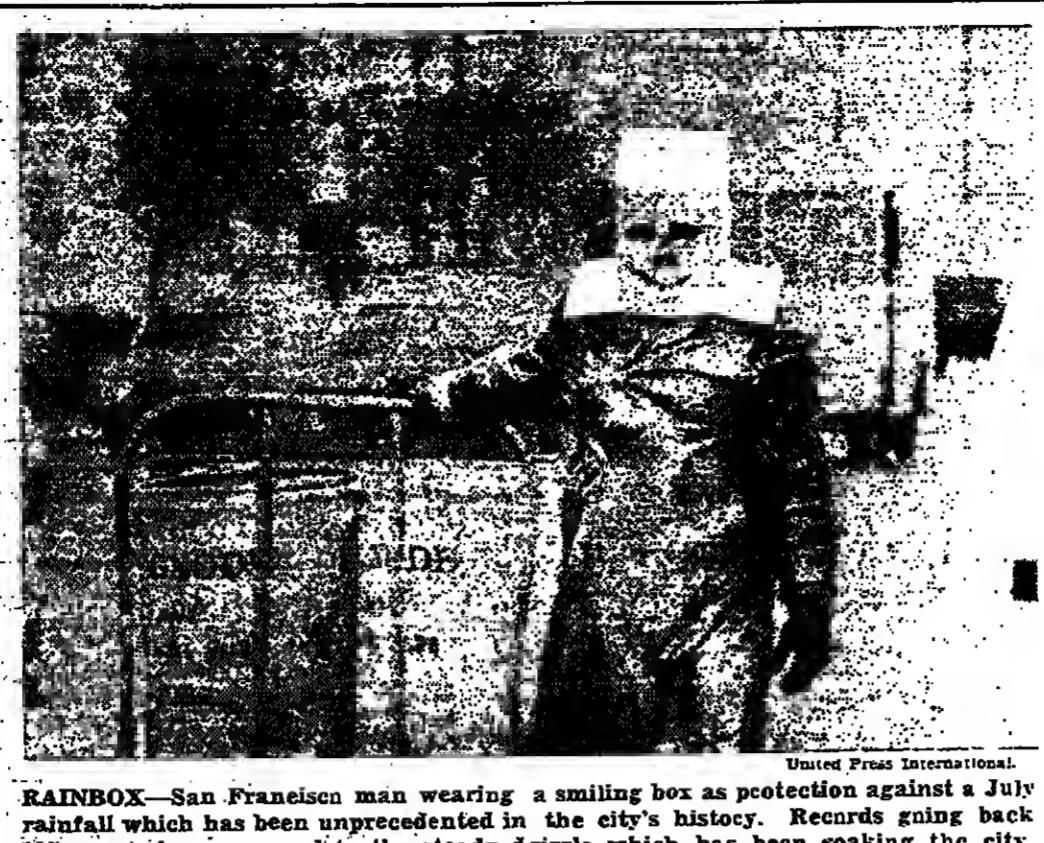
Judge Leonard Brauner sentenced John Clark, 31; Theodore Moody, 21; and William Christian, 29, to the maximum sentences of life in prison on 21 of 23 counts for which they were convicted.

The three were convicted of slaying two adults, four infants and a 10-year-old boy, who were either shot or drowned at the Hanafi headquarters in Northwest Washington on Jan. 16, 1973.

For the settlement of its Hotel bills the Palace offers to its American guests during this summer season a preferential exchange rate of not less than \$3.40 for the \$1.

**Badrutt's PALACE HOTEL ST. MORITZ**

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United Press International  
RAINBOX—San Francisco man wearing a smiling box as protection against a July rainfall which has been unprecedented in the city's history. Records going back 125 years show no equal to the steady drizzle which has been soaking the city.

## After Ideological Break With U.S. Policies

**Ex-Spy's Book Will Expose CIA Activities**

By Laurence Stern

LONDON, July 11 (UPI).—Philip Agee is an ex-spy who is producing what is likely to be the most detailed account of Central Intelligence Agency covert operations ever compiled by an American intelligence officer.

Mr. Agee, 39, who hopes to remain in seclusion in the English countryside until his book is published, has finished a 712-page, 260,000-word manuscript on which he has labored since he resigned as a case officer for the CIA in 1969.

Mr. Agee's credentials as an officer in the clandestine ("dirty tricks") service of the CIA have been confirmed by authoritative sources in Washington. The CIA itself refuses to comment on any aspect of the case but officials are reported to be deeply concerned about Mr. Agee's prospective revelations.

In the course of an interview, Mr. Agee spoke guardedly of his nine years of covert operations against unfriendly governments and political forces. He described manipulation of agents, news media, political officials and military establishments through the classic espionage techniques of bribery, blackmail and mass propaganda.

Mr. Agee, who is living in England with his two young sons, said: "The purpose of writing this book is to give revolutionaries a better idea of what their enemy is like and how we operate as well as Third World people."

Mr. Agee withheld manuscript details which he felt might jeopardize his physical security before the book is published within the next year. He did make these points:

• During a brief assignment to CIA headquarters in Langley, Va.,

**Skeleton Found In Mexico Is That Of U.S. Diplomat**

MEXICO CITY, July 11 (AP).—The U.S. Embassy says that the skeleton discovered last Sunday in a creek bed near Hermosillo, Mexico, has been identified as the remains of kidnapped Vice Consul John Patterson.

Ambassador Joseph Jova made the announcement last night and extended his condolences to the widow and mother of the 31-year-old diplomat, who disappeared from the U.S. Consulate in Hermosillo on March 22. Earlier, Mexican authorities said there was no doubt that the remains were Mr. Patterson's.

Mexican authorities said yesterday that the abduction was carried out by kidnappers from the United States seeking ransom, not by Mexican terrorists with political motivations. Bobby Joe Keesee, 40, a California carpenter, is being held in San Diego on U.S. federal charges of planning and participating in the kidnapping. He has pleaded not guilty.

"This criminal and senseless act snuffed out the life of a young officer who had just begun his career in the Foreign Service of his country, and his meaningful and important contributions to society had just begun," Mr. Jova's statement said.

**3 Black Muslims Get Life Terms**

WASHINGTON, July 11 (AP).—Tass said today that the first half of the work by two Soviet cosmonauts in their space laboratory Salyut-3 is "drawing to a close."

Cosmonauts Pavel Popovich and Yuri Artyukhin have been orbiting in Salyut-3 for a week.

The Tass statement could mean that the cosmonauts will remain aloft for another week, but no schedule was given.

Tass reported that Col. Popovich and Lt. Col. Artyukhin began a spectral investigation of the earth's atmosphere. Spectrographs were taken at the horizon of the earth at dawn and at sunset.

in 1966 he set up the Mexico City "cover" operation for the CIA conducted under the front of the Robert Muller company, a Washington-based public relations firm that later figured in the Watergate case. It was his involvement in the Muller cover, established for a CIA operative engaged in anti-Soviet operations, which led to the surfacing of Mr. Agee's identity. CIA fears that Mr. Agee would publicly disclose the CIA's work as "the secret police force of American capitalism."

## 3 Trips to Cuba

The former agent said that he had made three trips to Cuba since 1971 to conduct research for his book and, as put it, to witness the results of a "successful Socialist revolution."

Mr. Agee's ideological break with the CIA and U.S. policy in Latin America started during his 1963-1966 assignment to Uruguay, where he lost his faith in the possibility of solving the region's problems through plebeian reform, he said.

"The only meaningful change that I see at this point," he said, "is a Socialist revolution. My own big change was the comprehension that reform is really rhetoric. Certainly, in Latin America, reform was a failure."

Mr. Agee, who is under contract at present with Penguin Books, Ltd., of Britain, said that his account, written in diary form, names numerous case officers, agents and particular episodes gathered from firsthand experience in the field. Such a narrative has never been published on the American clandestine services and Mr. Agee is apprehensive about the possibility of injunctive legal action against him.

• The CIA operates in close coordination with an international network of trade union confederations and national labor groups which Mr. Agee said have proven to be effective instruments of political influence in Latin America. In Ecuador, Mr. Agee said, served as a CIA case officer for a local branch of the American Institute for Free Labor Development, which was founded in the early 1960s.

Mr. Agee last week was mentioned in press reports as having told his secret to the Soviet Union's KGB in a fit of drunken despondency. The Washington

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Post asserted that the United States poured an estimated \$20 million into the 1963 Brazilian election in support of several hundred candidates for gubernatorial, congressional, state and municipal offices.

The blast interrupted the gas supply of 10 million cubic feet per day to Soviet military industries in Caucasia in southwestern Russia.

The disruption climaxed an escalating dispute between the two countries over the price paid for the gas, of which the Soviet Union buys 30 billion cubic feet annually.

Iran wants the current price of 30.7 cents per 1,000 cubic feet doubled, but the Soviet Union has refused. Iran claims that the Soviet Union is buying the gas well below market value and selling its own natural gas to European countries at current market rates, three to five times higher.

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**Cosmonauts End 1st Half of Work**

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Soon it will be dusk. Colossal pillars cast long deep shadows across the vestiges of a once great city. The ancient palaces, towers and massive assembly halls loom in the dying light.

This is Persepolis, a city which Darius the Great founded and made the centre of an all-powerful nation.

Today you can see its majestic profile on the tailplane of Iran Air's all-jet fleet: Boeing 707s and 727s for our international flights; 737s for servicing our 18 destination network in Iran itself.

## Governments Turn a Blind Eye

**Pathans Flourish as Khyber Pass Smugglers**

By James F. Clarity

KHYBER PASS, Pakistan, July 11 (NYT).—British soldiers long ago abandoned this legendary defile that connects Pakistan and Afghanistan through 20 miles of 10,000-foot-high granite and slate crags.

But Britain's old nemesis and sometime ally, the Pathan, is still bare, equipped with a rifle, a triangular dagger and a developing sense of free enterprise. The Pathan is surviving in the barren mountains no longer as a bandit or mercenary soldier, but as an officially acceptable smuggler.

At night and in the late afternoon, the Pathans move heavier contraband by using narrow trails cut into the rock a few hundred feet below the main Khyber road. Television sets, refrigerators, air-conditioners, automobile parts and toilet bowls move slowly along the trails on the backs of donkeys, mules and camels.

Most of the smugglers are small operators, but some have become wealthy enough to build complexes of mud-covered brick that are actually forts, complete with turrets and gun slots. They can be defended from behind walls that are three feet thick and 20 feet high, if a blood feud erupts with other Pathans.

Some of the have television sets, refrigerators and garden water deep wells.

**A Barren Land**

The Khyber Pass and the area for miles around it are mostly barren, rocky land that cannot support through farming or the raising of livestock—the millions of Pathans in the frontier area.

"What else can they do?" a Pakistani official asked as he plodded through the pass.

"Look at the country. Rocks. Nothing grows here. They must eke a living."

Under British rule, the official said, the Pathans were paid not to raid the caravans of tea, spices and jute that were enriching the

country according to the paper.

The eight aircraft were purchased as part of a reported \$1-million deal with the Soviet Union in 1972. The last two aircraft were delivered this year.

**Turks Blame U.S. On Opium Funds**

ANKARA, July 11 (AP).—Turkey asserted today that the United States failed to make the final payment in an aid program to reimburse Turkish farmers under an American-initiated ban on poppy growing.

The ban was in existence for two years. The government of Premier Bulent Ecevit authorized 90,000 farmers to resume poppy cultivation this year.

Finance Minister Deniz Baykal said the Turkish government would reimburse poppy growers \$5 million he said was due in a final payment from the United States. The United States agreed to provide a \$35 million subsidy over three years.

**France, Russia Sign Atom Pact**

PARIS, July 11 (UPI).—France and the Soviet Union yesterday signed an agreement on the peaceful uses of nuclear energy and examined ways of increasing economic links.

The nuclear agreement was signed by Andre Giraud, head of the French Atomic Energy Commission, and Andronik Petrossyan, chairman of the Soviet State Committee on the Use of Atomic Energy. Full details and the precise implications of the agreement were not revealed.

## Fly with the 'Homa' to its fabulous land



## Pianist-Defector Is a Man With a Mission

By Joan Z. Shore

BRUSSELS, July 11 (IHT).—

Three weeks ago, on the eve of his departure for Moscow, a young Soviet pianist filled a concert engagement at a 12th-century chateau in the south of Belgium. He played his program, chatted with the prince and princess of a reception in their salon, shook hands with the Soviet ambassador and disappeared. Valery Afanassiev's escape was one of the more spectacular in the recent wave of Soviet defections, but the most discreetly publicized. It was nearly two weeks before a terse announcement was made that he had asked for—and received—a Belgian residence permit, a Belgian identity card and a passport.

He himself seems to prefer discretion. He is soft-spoken and shy, blue-eyed and slight, with a very long jaw and a very high forehead. As he speaks, he pushes his long, reddish-blond hair behind his ears, revealing a startling length of bushy sideburns.

Until now, he has not spoken to the press, and when questioned about his defection, he insists that there was no political moti-



Soviet pianist  
Afanassiev  
in Brussels flat.

vation nor any pressure from acquaintances in the West. His prime concern, he says, was his personal development, both in terms of his career and his "human contact."

Cultural contacts seem equally important for him—visiting museums, listening to new music, reading insistently. He is thrilled to see original works by modern masters. "Miró is my favorite artist," he says, "but until now, I only knew his work from reproductions." He likes pop music and everything avant-garde, from

Stockhausen to Berio. He has been writing poetry since he was 10 years old.

His choice of Belgium as a place to settle is significant. It was here two years ago, shortly before his 25th birthday, that he won first prize in the Queen Elisabeth International Piano Competition. Following his triumph, he gave a round of concerts and made some recordings; then returned to Moscow, where he was born, to continue his studies with the pianist Emil Gilels.

He came back to Belgium last winter for a concert, and again in June to play in Brussels, Antwerp and at the Chateau of Chimay, where a music festival is held every summer under the patronage of the prince and princess of Chimay. It was in this setting that Afanassiev carried out his defection, still dressed in black tie.

"Belgium is my second homeland," he says, in slow, careful French. His mother, who died less than a year ago, was a French teacher. His father died when he was very young and as he has no brothers or sisters, there is no chance of reprisals for his defection.

After two weeks of seclusion waiting for his Belgian papers, Afanassiev is beginning to lead a normal life. He spent last weekend in Paris and is planning a trip to Italy. His good friend, the French-born pianist Cyril Katsaris, whom he met during the 1972 competition as a fellow contestant, has visited him. On a recent shopping expedition to buy a new suit, Afanassiev was recognized by the haberdasher, who gave him a tie.

"Valery has many friends here," explained his Belgian host. "He doesn't have to exploit his defection in order to get concert dates, and he doesn't have to worry about money. He doesn't even need an impresario. People will come to him. You see, he's not only a pianist—he's a writer, and he has a message."

Afanassiev fumbled in the pocket of his red shirt and pulled out a sheet of paper covered with an uneven scrawl. In preparation for this interview he had tried to compose a statement in French explaining his position. Translated, it read:

"Every man is destined for a mission. A moment comes when his mission weighs on him, and then he must gather all his strength to meet it.

My own destiny is music and literature.

The term "political" does not express the essence of my problem. Nor is it a basic question of material comfort.

What is driving me is an irresistible force."

### COVENT GARDEN

## Ozawa Makes Debut With 'Eugene Onegin'

By Alan Blyth

LONDON, July 11 (IHT).—Seiji Ozawa, music director of the San Francisco and Boston Symphony Orchestras, made his Covent Garden debut last night in a revival of Peter Hall's wonderfully evocative staging of Tchaikovsky's "Eugene Onegin." Amazingly enough, it was only the second time the Japanese conductor had been in charge of a production in an open house at Salzburg, 1969-70, although you would hardly believe it such was his easy command of stage and pit.

Ozawa is a master at seeing the key phrases or rhythms to any passage, and then bringing them out with unerring skill. That very important attribute sometimes led him to forget the larger causas so that the shaping of some of the scenes went awry. On the other hand, his heart was always in the right and (for this score) impulsive place. The Royal Opera Orchestra, sensing this complete commitment, responded expressively and warmly to his beat; the players have obviously taken him to their collective soul. That some details sounded uncertain is hardly surprising when one recalls the orchestra's grueling schedule, including a recording of this opera under Solti.

Four of the principals were new to their roles in the house and one, Judith Biechmann, an American now based in Hamburg, was making her Covent Garden debut. A Lotte Lehmann pupil, she rounded me often during the evening of her mentor, as Tatjana, she had the same ardent, whole-hearted delivery of text and music, the same rounded tone color. She enacted the great letter scene with just the right blend of vulnerability and impetuous eagerness. Later she matured visibly into the St. Petersburg grande dame. The voice, vibrant in its lower and middle registers, lacks bite and fullness at the top, and because of that there were times when Biechmann just failed to clinch a phrase.

Benjamin Luxon's handsome, sympathetic Onegin was much to the audience's liking. He conveyed eloquently the irony of the bored aristocrat who turns down the gauche girl Tatjana only to

## Paris Theatrical Season Breaks Records

By Thomas Quinn Curtiss

PARIS (IHT).—The 1973-74 Paris theatrical season—an which the curtain falls on Bastille Day—has presented over 200 productions, surpassing records in New York, London, Stockholm, Tokyo, Moscow, Vienna and every other capital.

In both variety and volume the season has been amazing. As elsewhere, revivals have outnumbered new plays of much consequence, but there is scarcely any form of theater that has not been represented—from full dance-drama to musical comedy, from Japanese marionettes to jazzed-up classics, from Broadway farce to Bourdet, from Czech mime to swashbuckling romance and an Italian political chausseur.

The best new play was Eugene Ionesco's satire on contemporary life, "Ce Formaldeh' Bordel!" a work of wide scope, searching vision and curious conceits, commendably directed by Jacques Maucras, who played the lead. The next best was "Dreyfus" by a beginner, Jean-Claude Grumberg, a graduate of the core theaters. "Dreyfus"—which told of the members of a Jewish community in Poland, circa 1930, rehearsing a play about the French Army captain—who was rich in ironic observation and wry humor. Carson Kanier is adapting this piece for Broadway next season.

The breezy Bartlett Gruy comedy about a pair of swinging youngsters, "Une Rose au Petit Déjeuner," was considerably enlivened by the presence of François Perrin and Azizel Abbadie, two promising discoveries who friended through it engagingly. Félicien Marceau's "B'Zomme en Question," a cynical study of a destructive egotist, provided Bernard Blier with a rewarding part which he executed splendidly, but this cruel comedy cut too deep to please the public for long. "Le Borgia" by the Cuban Eduardo Manet, picturing human cruelty allegorically in the iron plot of a Roman circus, also failed to please, although it was admirably acted by Michel Galabru and Sacha Pitoneff.

Many French actors helped themselves to foreign goods. Madeleine Renaud played the Ruth Gordon role of the wise, old woman in "Harold and Maude," in a shaky stage version of the

film script. Marle Bell chose William Douglas Home's British drawing room romp, "Lloyd George Knows My Father," retitled "Ne Coupez Pas Mes Arbes" instead of "De Gaulle A Connut Mon Père." The U.S. melodrama about life in a lunatic asylum, "Out Flew Over the Cuckoo's Nest," was an expensive failure. Johnny Hallyday had been cast as the star, but withdrew during rehearsals. The Parisian version was dominated by the excellent performance of Françoise Christophe as a steely head nurse, but was starless.

The most skillful job of adaptation was Maurice Valay's French version of Simon Gray's "Butley"

with Bernard Frisson as the defeated university coach. Michel Tremblay's "Les Belles Soeurs" with a Quebec company was the best of the productions imported for the Espace Pierre Cardin. The others were disappointments, especially the childish "Earl Marx Play" from Greenwich Village with a score by the composer of "Hair," Galt MacDermot, and Peter Handke's frightful "La Clef vaucher sur le Lac de Constance," harshly staged by Claude Regy

with Delphine Seyrig and Jeanne Moreau sinking in the quicksand of doublets.

There was much directorial experimentation. The Pole Jerzy Grotowski presented his mystic "miracle," "Apocalypsis cum Figuris," in the Sainte-Chapelle. The Comédie Française invited Terry Hands from England to mount "Pericles" in Jean-Louis Curtis's translation. Hands stripped the action almost naked, the production taking on the aspect of "O! Calcutta!" as it might have been written by Shakespeare. Roger Planchon's "Tartuffe," pictorially striking, underlined the fierce social conflicts behind the comedy and gave us an evening of fascinating theater.

Patrice Chéreau, a disciple of Planchon, staged scenic elaborations of Marivaux's "La Dispute" and "Toller," a rattling political melodrama about the German playwright, a member of the Bavarian Soviet in 1918. His accent on atmospheric detail, lighting and spectacle is symptomatic of a current, but not an original, approach. It echoes some of Bob Wilson's technique as did the "Turandot" at the Théâtre de la Musique.

### SHARPS AND FLATS

LONDON.—Sunny Rollins and his quintet and Gordon Beck's Gyroscope are appearing nightly at Ronnie Scott's; singer Cass Elliot will headline the Palladium from July 15 to 27.

COPENHAGEN.—The Montmartre Jazzhus will feature the Gil Evans Orchestra on July 15 and 16 and Sammi Sitt, Dexter Gordon and Kenny Drew on July 17.

PARIS.—Saxman Sunny Criss and Chris Woods are at the Club St. Germain and the Trois Maitre, respectively. English jazzman Max Collic and his Rhythm Aces will give a free concert in the suburb of Nouveau Crétel on July 14 at 9 and 11 p.m. The Steve Lacy Quartet is at La Cour des Miracles from July 11 to 20.

Current and upcoming jazz festivals in Europe include: Pescara, Italy, to July 15; Port Finland, July 12, 13 and 14; Nice, France, July 15-21; San Sebastian, Spain, July 21-25; Marbella, Nuevo Andalucia, Spain, July 12 and 13; Tournai, Belgium, July 20, 21 and 22; An-

tibes, France, July 23-29; and Moldavia, Norway, July 27 to August 3.

WOODY HERMAN and his Thundering Herd will appear at the Terrace Officers Club and the Topper NCO Club in Frankfurt on July 16 and the following day at the Heidelberg Officers Club. All performances are open to the general public.

\*\*\*

The Mahavishnu Orchestra, continuing its European tour, will be in Paris on July 15 at the Olympia; in Brussels July 17 at the Forest National; and in Amsterdam on July 18 at the Hilversum Sport Park.

\*\*\*

The Golden Gate Quartet, concluding its Yugoslavian tour, will be in Capljina July 12; in Zadar July 14; in Halodovo July 15; in Pula July 16; in Opatija July 17 and in Kopar July 18.

\*\*\*

This week's top singles records are, in the United States, "Rock the Boat" by the Bells Corporation; and in Britain, "She" by Charles Aznavour.

—FRANK VAN BRAEKE.

## Currency Rates

July 11, 1974  
By reading across this table of yesterday's closing interbank foreign exchange rates, one can find the value of the major currencies in the national currencies of each of the following financial centers. These rates do not take into account bank service charges.

	1 DM	1 F	1 £	1 \$	1 Fr. Swiss	1 Dr. S.
Amsterdam	0.6442	0.2559	102.55*	54.07*	41.12*	44.44*
Brisbane	0.6022	0.2814	14.8710	7.8400	14.6045	14.7060
Frankfurt	0.6442	0.2559	102.55*	54.07*	41.12*	44.44*
Milan	0.6442	0.2559	102.55*	54.07*	41.12*	44.44*
Paris	0.6442	0.2559	102.55*	54.07*	41.12*	44.44*
Zurich	0.6442	0.2559	102.55*	54.07*	41.12*	44.44*

The following are dollar values only: Danish krone: 1.4715; French franc: 25.12; Belgian financial franc: 36.80.

10) Commercial irane 10\*. Units of 100. (xi) Units of 1,000. (xii) Units of 10,000.

\*1) Amounts needed to buy one pound.

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## BUSINESS

**Herald Tribune**

Published with The New York Times and The Washington Post

## FINANCE

**Early Payment of Debts  
On Herstatt 'Unlikely'**

FRANKFURT, July 11 (AP-DJ).—It appears "rather unlikely" that any special treatment can be given to banks that lost money in interrupted spot foreign exchange transactions with the collapsed Bankhaus Herstatt, Rolf Goett, a Bundesbank director, said today.

German law apparently does not allow priority for any class

of Herstatt creditors. "If some has priority, the rest are discriminated against," he said.

Talk of special treatment arose following a press conference in London last week by Sir Kenneth Keith, chairman of IBM-Samuel. At that time he reported that IBM-Samuel had been unable to complete a \$215-million spot transaction with Herstatt before the bank was ordered into liquidation by German authorities on June 26.

However, Sir Kenneth said Bundesbank president Karl Klaes was eager to ensure that spot transactions be settled quickly ahead of other claims.

Mr. Goett said today that Sir Kenneth's statement was based on a "misunderstanding."

Mr. Goett said 10 or 11 banks lost money on interrupted spot transactions with Herstatt. The banks had paid deutsche marks to Herstatt, but the German bank was closed before its agent could deliver corresponding amounts of dollars to them.

Morgan Guaranty Trust and Seattle First National Bank said they lost a total of \$85.5 million in this manner.

Mr. Goett said such losses were heavier for banks in Germany than for outside institutions.

Mr. Goett did not entirely rule out that Herstatt liquidators could find a legal means, not yet foreseen, to give priority in the liquidation process to banks involved in interrupted spot transactions. In this unlikely event, he said, "We of course wouldn't object."

However, he did eliminate the possibility that the Bundesbank would create a special fund to help such banks. Such action would go against laws governing the central bank, he said.

Critics of the way Herstatt was closed, have contended that it should have been allowed to conduct its business on June 26.

However, Mr. Goett said, "In the very moment when it became clear there wasn't any possibility of saving the bank, everyone said now it is time, we must not lose a minute in shutting the bank... because there was danger of rumors [spreading] that the bank was on the way to bankruptcy."

**Bank Suspends Payments.** LONDON, July 11 (AP-DJ).—Israel-British Bank (London) Ltd. suspended payments today pending the outcome of negotiations between its parent bank, Israel-British Bank Ltd. and the Israeli central bank.

The parent Israeli bank was seized by the Bank of Israel Tuesday because of the institution's shaky financial position. Its problems were said to partly stem from the recent collapse of Bankhaus Herstatt.

**TOTAL****COMPAGNIE FRANÇAISE DES PÉTROLES**

The Annual General Meeting of Compagnie Française des Pétroles (TOTAL Group) was held in Paris on June 28, 1974. The parent Company's accounts for the year 1973 were approved by the shareholders, who were also shown the Balance Sheet and consolidated accounts.

The Company's net income in 1973 amounted to Fr. 549 million. Overall dividend was Fr. 179.5 million representing an increase limited to 5% over 1972, in line with the French Government's recommendations. This enabled a total income of Fr. 12.60 per share to be distributed.

Despite the impact of the international political situation on supply conditions, 78.7 million tons of crude oil were marketed, reflecting an increase of nearly 13% over 1972. The volume of crude oil processed by the Group in its refineries or for its account in outside refineries represented 63% of this total vs. 66% in 1972. The Group continues to step up the consolidation of its refining capacity.

The Company continued to develop and diversify its exploration activities last year. In the North Sea, the Alwyn oilfield was discovered; the interest of the Indonesian oilfield of Bekapai and gas deposit of Panjutuan was confirmed; the drillingship "Pelican" detected shows of hydrocarbons when drilling a second well off the Labrador coast; exploration was resumed in Algeria, resulting in discovery of oil at Ouen Dinetta.

Significant data concerning C.F.P. (parent Company) and the TOTAL Group in 1973:

C.F.P. (parent Company)  
Shareholders' equity after income allocation ..... 4,406.6  
Sales (excluding taxes) ..... 4,970.1  
Cash flow ..... 757.1  
Net income ..... 549.0

TOTAL Group (consolidated figures)  
Shareholders' equity after income allocation ..... 6,824.1  
Sales (excluding taxes) ..... 2,486.0  
Cash flow ..... 18,016.0  
Net income (including minority interests) ..... 2,643.0  
C.F.P.'s share in net income ..... 1,048.0  
874.0

In the consolidated figures, it may be noted that evaluation of inventories on a weighted average cost price basis and adjustment of product selling prices following the rise in crude oil prices have resulted in an exceptional increase of Fr. 485 million in cash flow, raising C.F.P.'s share in net income by Fr. 160 million.

The Company's 1973 Annual Report in English may be obtained upon request to:

COMPAGNIE FRANÇAISE DES PÉTROLES  
Secrétariat Général  
5 Rue Michel-Ange - 75781-PARIS CEDEX 16.

**FINANCIAL NEWS AND NOTES**

PARIS, FRIDAY, JULY 12, 1974

**U.K. Car Registrations Decline**

U.K. registrations of new cars, including imports, fell in June to 122,343 from 142,036 a year earlier. Registrations for the first six months of the year totaled 677,412—down sharply from 916,055 a year earlier. British-made cars accounted for 76 per cent of all registrations in June, compared with 74 per cent in the first five months of the year. British Leyland continued to lead in registrations last month with 22.7 per cent of the total market. Renault continued to be the most popular imported car with 4.28 per cent of the market.

**NYSE Member Firms Lose Money**

The New York Stock Exchange's 434 member firms lost \$21.5 million in May, less than half their April losses of \$47.8 million and below the loss of \$57.8 million in May 1973. A majority of firms—74—showed a profit in May, earning a net of \$132 million. The remaining 259 firms lost a combined total of \$24.7 million. Through the first five months of this year, all member firms have lost \$20.2 million, compared with a loss for the same period a year ago of \$146.3 million, the exchange said.

A slight market recovery at the end of 1973 narrowed the full year losses to close to \$50 million.

**Opel Output Falls 38 Per Cent**

Vehicle production by General Motors' West German subsidiary, Adam Opel, dropped by 38

**N.Y. Aide Cites Pacific Coast Exchange****'Colossal Fraud' on Silver Coins Charged**

NEW YORK, July 11 (NYT).

State Attorney General Louis Lefkowitz charged yesterday that the widespread interest in buying silver coins and silver bars as a hedge against inflation has spawned serious frauds in which brokers and dealers who contracted to buy bags of silver coins took the investors' money but failed to buy the coins.

The state officials also alleged that the brokers defrauded tens of thousands of investors in various parts of the country who invested \$227 million through the "exchange" last year.

Mr. Lefkowitz alleged that the Pacific Coast Coin Exchange, a division of Monex International Ltd., commodity brokers, only bought bags of silver coins to cover 10 to 15 per cent of its orders, covering the rest by buying silver bullion in the commodities market for future delivery.

Investors were fraudulently advised the coins were being accumulated and held for them in storage, the court papers alleged, and storage fees were charged.

Mr. Lefkowitz obtained a temporary State Supreme Court injunction barring the Pacific Coast Coin Exchange from doing business in New York, alleging the firm committed a "colossal fraud" on people who invested some \$260 million through the "exchange" in the last two years.

"I believe that more silver coins have been sold than were ever produced before nickel-copper alloy replaced silver in American coinage in 1963," said Nicholas Deak, head of the Deak-Pereira group of companies which

operates in all aspects of the silver market.

He said that brokers had been tempted "to take more orders than they filled, covering themselves by some such devices as trading in the silver futures market, or not covering themselves. Silver bars and silver coins do tend to move up and down in price together—but there are times when they don't. For

there is current production in silver bars, whereas there is only past production in silver coins. Silver trading is a very risky business."

Mr. Lefkowitz invited investors who have invested in bags of silver coins to register their claims with the state law department's securities bureau. Where evidence of fraud is found prosecution will be begun and suits entered to get the investors' money back, he said.

**Company Reports****Allied Chemical**

	1974	1973
Revenue (millions) ..	507.7	422.5
Profits (millions) ..	50.53	28.08

Per Share ..... 1.82 1.82

First Half Revenue (millions) .. 1,043.2 821.5

Profits (millions) .. 83.93 50.54

Per Share ..... 3.03 1.82

**Crown Zellerbach**

	1974	1973
Revenue (millions) ..	432.2	357.5
Profits (millions) ..	32.82	29.5

Per Share ..... 1.65 1.49

First Half Revenue (millions) .. 818.3 696.9

Profits (millions) .. 59.88 54.55

Per Share ..... 2.43 2.21

**Fiat, W. German Firm Plan Link on Trucks**

FRANKFURT, July 11 (AP-DJ).

Fiat and Kloeckner-Humboldt-Deutz (KHD), the West German heavy vehicles firm, have decided to form a joint commercial vehicles company.

Its sales in the medium term should reach 4.8 billion deutsche marks, second in Western Europe only to Daimler-Benz, whose domestic group commercial vehicles sales totaled 5.6 billion DM in 1973.

Both Fiat and KHD will discontinue their commercial vehicle sectors. In France, Italy and Germany, other national companies will be formed and these will be incorporated in a new holding company in the Netherlands in which Fiat and KHD will participate.

Although the distribution of shares in the new holding has not been disclosed, they will be based on the assets and potentials brought into the new group by each company—which means that Fiat will hold the majority share.

The new group is to be incorporated in early 1975 if certain unsatisfied conditions are fulfilled and there are no objections from the responsible governmental institutions or from the respective car offices.

In addition to disclosing a disengagement with the President's economic performance, the survey also indicated that Mr. Nixon's overall support from the business community, long considered one of his strongholds, has been seriously impaired by Watergate.

The goals Fiat and KHD will be aiming at by coordinating the management, the product range and the production program in the commercial vehicles sector are to offer an even wider range of products and to form a European company that is large enough to

hold its own in international competition.

Informed sources expect Fiat and KHD will begin their cooperation venture by rounding off their present model program. This will probably be followed by standardizing components.

**Businessmen Cool on Nixon**

By Michael C. Jensen

NEW YORK, July 11 (NYT).

An overwhelming margin, leaders of American business say that they are seriously affected by the nation's ability to manage the economy.

Eighty per cent of the executives of major companies responding to a question on the economy agreed that the President's economic performance had suffered because of Watergate, and some of them referred to Mr. Nixon's preoccupation with his defense.

On a daily basis short-term rates have been advancing recently, while business loan demand has surged in the past three reports.

However, the Fed reported that commercial and industrial loans at major New York City banks rose only \$2 million in the week ended Wednesday, compared with a rise of \$1.1 billion in the previous week.

The New York Fed estimated U.S. commercial banks averaged net borrowed reserves of \$2.3 billion in the week compared with net borrowed reserves of \$3 billion the previous week.

However, the 90-day commercial paper rate, on which several banks base their floating prime rate, increased during the week by 14 basis points to 13.09 per cent.

Money market analysts said this could trigger an increase tomorrow morning in First National City Bank's prime rate.

The two most active Big Board issues were Beneficial Corp., off 14 to 14 1/2, and Federal National Mortgage, up 3 1/4 at 11 7/8.

The American Stock Exchange index closed down 0.35 to 74.52. Kaiser Industries was most active, closing down 1, to 5.

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